



ANNUAL REPORT

2024



SAMHAE INSURANCE COMPANY

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KEY INFORMATION



Total Assets

KPW 6.1 billion

The total assets peaked at KPW 6,094,569,420 at the end of 2024.

Total Equity

KPW 5.4 billion

The total equity reached KPW 5,430,364,266 at the end of 2024.

Gross Premiums Written

KPW 2 billion

The gross premiums written jumped from KPW 1,684,479,898 in 2023 to KPW 1,975,359,081 in 2024.

Gross Claims Incurred

KPW 1 billion

The gross claims incurred amounted to KPW 1,000,003,716 during the year.

Net Underwriting Result

KPW 796 million

The net underwriting result was reduced from KPW 1,017,958,540 in 2023 to KPW 796,016,456 in 2024.

Net Income

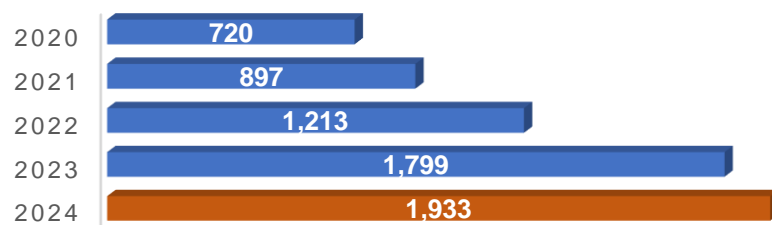
KPW 463 million

The net income of the year under review decreased by 25.53% to KPW 462,799,749 compared with KPW 621,492,785 in 2023.

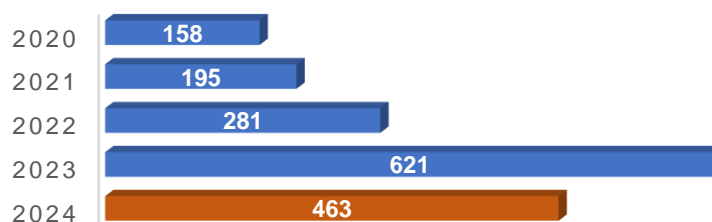


KEY INFORMATION

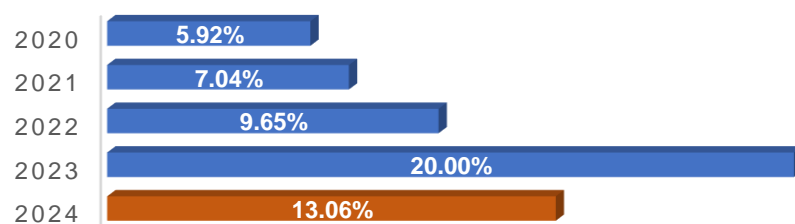
Premiums earned (KPW millions)



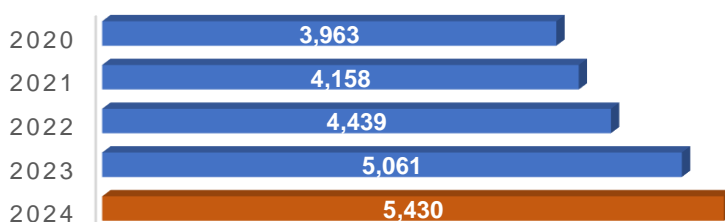
Net income (KPW millions)



Return on equity



Total equity (KPW millions)





WHO WE ARE

MISSION

To satisfy the customer's needs of insurance, relieve anxiety and contribute to the sustainable growth of the insurance industry

VISION

To be the first-choice provider of insurance service in the country and become a world-class insurer with special expertise and high reputation

CORE VALUES

Excellence Flexibility
Professionalism
Responsibility Integrity

LINES OF BUSINESS

non-life insurance and reinsurance



WHO WE ARE

Samhae Insurance Company was incorporated in Pyongyang in October 2016.

We have pursued our vision of being a first-choice insurance provider making quality customer service from the beginning of operation.

The Company's strong presence in the local insurance market was established for a short period since its operation, which is attributable to its profound insight into the market, flexible application of advanced technology to insurance service and strong incentives to fostering the employees' creative ways of thinking.

The Company built up a network of its branch offices in the important places such as seaports and fish farms across the country.

The Company abounds in well-established experts with profound expertise and rich experience in underwriting insurance and reinsurance.

The Company runs smoothly on an efficient business hierarchy between the headquarters and branch offices as well as on an interconnecting system between the staff, all of which serve as a firm basis for further development in many days yet to come.

For more stable management of the risks insured, the Company cooperates with the national and foreign partners in securing the reinsurance protection.

Meanwhile, in keeping up with the pace of its increasingly growing financial strength, the Company is engaged in providing reinsurance cover for the overseas risks.

A number of companies including insurers, reinsurers, and brokers at home and abroad are now listed as our prestigious partners and customers.

STATEMENT FROM THE CHAIRMAN



The year 2024 was a decisive year when a clear practical guarantee for implementing the Five-Year Plan for National Economic Development was to be secured by raising the offensive spirit on all fronts of socialist construction and achieving fresh and significant successes.

The 12 major goals for the national economic development were successfully carried out and the projects for the maintenance and reinforcements were pushed forward successfully on a nationwide scale, further strengthening the motive force and potential for the development of the self-supporting economy.

Last year when the Party's Regional Development 20×10 Policy was adopted for a simultaneous and balanced development of the regions and the substantial improvement of the living standard of the people across the country, presented were its first perfect fruit, instilling hope and courage into the people of the whole country and redoubling their creative enthusiasm and self-confidence.

Along with the rising trend in the development of the national economy, the insurance sector achieved eye-opening successes, too.

The premium income steadily increased, the loss ratio considerably stabilized, and the insurance service for customers was improved day by day.

In 2024, the world insurance market has once again demonstrated its resilience and adaptability in the face of rapidly changing landscape.

Last year was a crucial year for the insurance market, marked by a higher number of natural catastrophe claims and a highly fragile political and economic environment. Against all odds, the market sustained major changes, with insurers redoubling their ingenuity to maintain profitability.

In terms of premiums, the insurance sector has continued to grow in 2024. Although moderate, with varying performances

across regions and segments, turnover growth was driven by emerging markets in Asia.

As regards loss experience, climate change has become a major concern for insurers. Indeed, extreme events such as hurricanes and typhoons in Southeast Asia and flooding in Europe set the industry back nearly 150 billion USD, the highest amount since 2017.

Added to this central concern for professionals is an increasingly sophisticated cyber loss experience, which has been growing fast, pushing up premiums for this risk segment in need of capacity.

On the innovation front, parametric insurance and the use of blockchain have continued to transform compensation and risk management models. Insurers have intensified their digitization, thanks in particular to artificial intelligence, which enabled them to personalize offers and enhance customer experience.

The future now lies in the ability of risk carriers to innovate and collaborate in order to meet the sustainability requirements of insurance business models.

Last year, in an exciting environment, Samhae Insurance Company further stimulated various insurance businesses to achieve gross premiums written of about KPW 2 billion and a net income of KPW 463 million.

The Company made timely compensation for the claims during the year, including the loss caused by heavy rains in the northwestern part of our country in July last year, thus making an active contribution to normalizing production and stabilizing living of the insureds.

I would like to express my sincere gratitude to the management and all the grass-roots staff of the Company for their close cooperation and support and encouragement to the Company's decisions and policies.

I would also like to acknowledge the trust and support of the customers, agents, reinsurers, brokers, and other parties

concerned.

The year 2025 is an important year when the preparations for the successful completion of the Five-Year Plan and for the next stage of development should be pushed forward substantially.

I firmly believe that the Company will continue to innovate and advance in 2025 and achieve spectacular success.



Kim Myong Il

Chairman
Executive Committee of Management

Chief Executive Officer

EXECUTIVE COMMITTEE OF MANAGEMENT



The Executive Committee of Management (ECM), consisting of 5 members of senior officials is primarily responsible for preparation and monitoring of business plan, annual budget, key initiatives, review of operations, human resource development and performance of personnel.

During the year under review, the ECM members met 14 times and discussed various affairs including annual business plan of the Company, market expansion, digitalization of insurance business, improvement of customer service, orientation for the development of reinsurance, expansion into the market abroad, investment policy, management of human resources, appointments of personnel.

Chairman/CEO

Kim Myong Il

Member/Deputy CEO

Kim Song Ho

Member/Chief Contracting Officer

Yun Il Hyok

Member/Head of Claim Settlement

Ri Jong Chol

Member/Chief Financial Officer

Ri Kum Song

Composition of the ECM

The Executive Committee of Management is a leading management body of the Company.

The ECM consists of 5 members including Chief Executive Officer and Deputy Chief Executive Officer with the CEO taking the chair.

The ECM members are appointed and dismissed in the meeting of the ECM.

All the members possess high-level professional skills, knowledge and expertise.

Roles and Responsibilities

The ECM is in charge of the affairs below:

- carrying out the decisions of the Board of Directors in relation to the Company management;
- working out tactical measures for the operation and administration of the Company and submitting for the approval of the Board of Directors;
- reviewing and approving the short-term and long-term business plans;
- reviewing and approving the guidelines and policy wordings of insurance by class of business;
- determining the appointment and dismissal of the employees.

- ECM Members

Kim Myong Il

Chairman

Mr. Kim Myong Il is the Chairman of ECM and Chief Executive Officer since February 2021. He has experience in insurance business for 20 years.

He is in charge of control and management of the Company's overall business.

Kim Song Ho

Member

Mr. Kim Song Ho, one of the founder of the Company, is the member of ECM and Deputy Chief Executive Officer since February 2021.

He has long experience of working in the insurance industry for 30 years.

Ri Kum Song

Member

Mr. Ri Kum Song is the member of ECM and Chief Financial Officer since February 2021.

He is in charge of Financial Department and responsible for the Company's financial affairs.

Yun Il Hyok

Member

Mr. Yun Il Hyok is the member of ECM and Chief Contracting Officer since May 2018. He is in charge of Contract Department and responsible for insurance and reinsurance contracts.

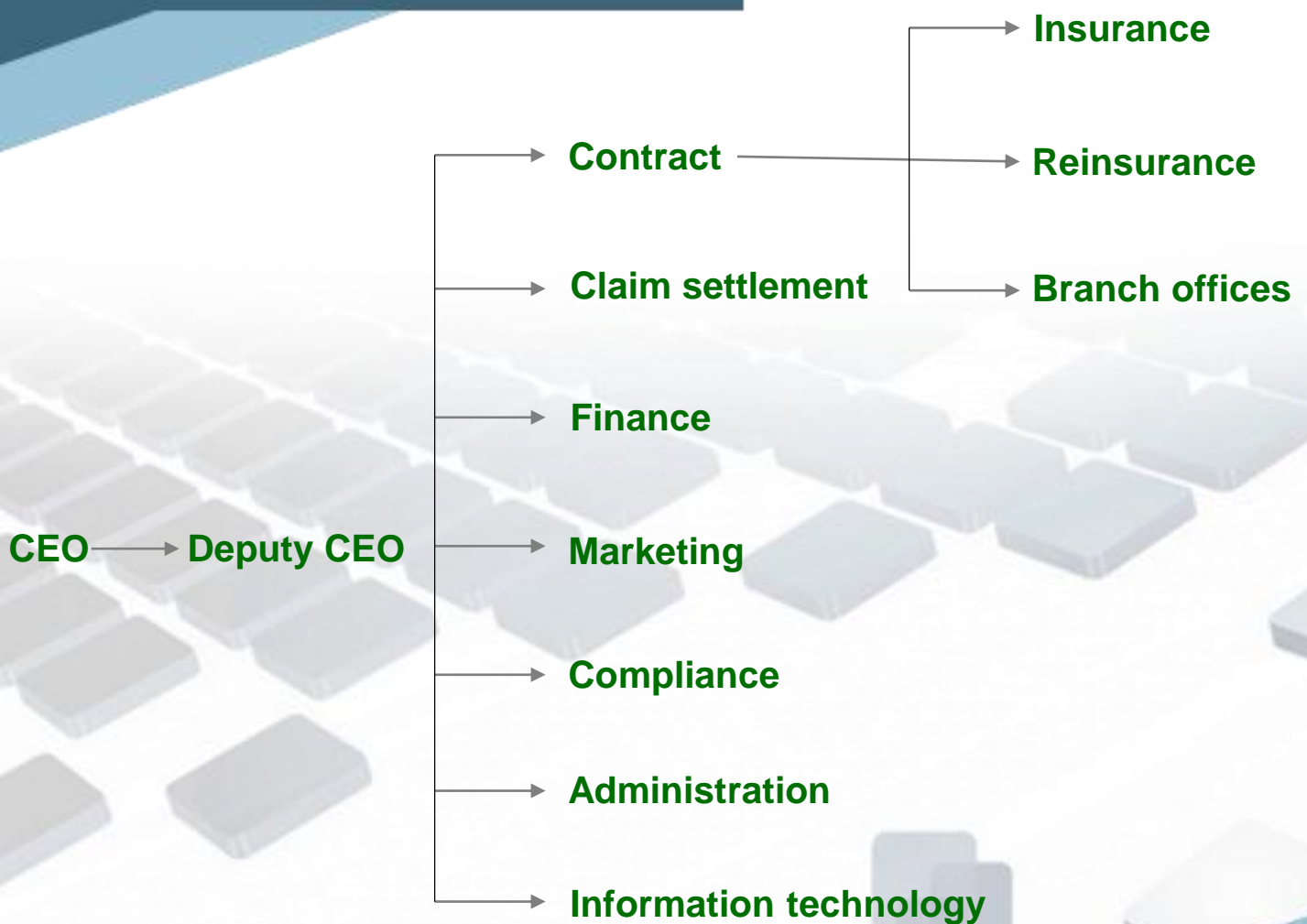
Ri Jong Chol

Member

Mr. Ri Jong Chol is the member of ECM and Head of Claim Settlement since April 2019.

He is in charge of Claim Settlement Department and responsible for the claim management and settlement.

MANAGEMENT STRUCTURE



BUSINESS REVIEW

2024



In 2024, the fourth year of the implementation of the Five-Year Plan for National Economic Development between 2021 and 2025, the national economy continued to develop, resulting in a steady increase in freight turnover which led to a brisker business of shipping and road transport, as well as a constant growth of fishing industry.

Under the circumstances, the Company has always been standing by the customers during the course of judging, transferring, and mitigating the marine risks at each level, remaining true to its fundamental mission, and has provided adequate insurance coverage to enable them to improve their abilities to counter the unexpected events with preparedness.

We achieved a stable business development in 2024 thanks to the expert skills of the employees equipped with a wide range of knowledge and long experience working in various fields including insurance and shipping industries, the proficient management of the staff at managerial level and solid financial assets.

The net underwriting result amounted to KPW 796,016,456 with annual net income reaching KPW 462,799,749 in 2024.

As a result of the fact that a considerable amount of insurance compensation was spent for natural catastrophe claims in 2024, the net underwriting result and net income decreased by 21.80% and 25.53% respectively over the previous year.

Gross premiums written

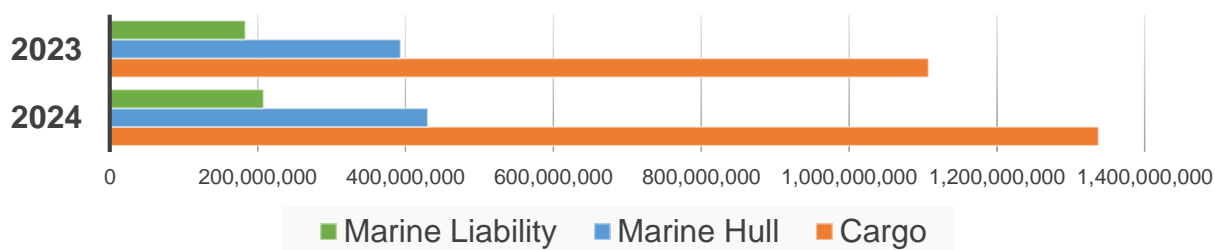
KPW

Line of Business	2024		2023	
	Amount	Share (%)	Amount	Share (%)
Cargo	1,337,305,746	67.70	1,107,685,169	65.76
Marine Hull	430,083,235	21.77	393,470,790	23.36
Marine Liability	207,970,100	10.53	183,323,939	10.88
Total	1,975,359,081	100.00	1,684,479,898	100.00

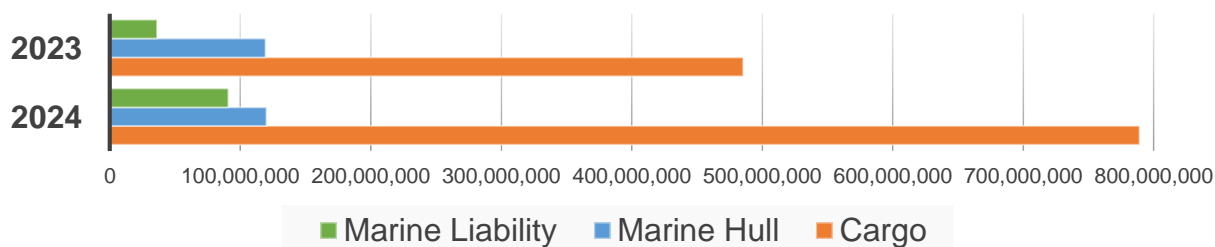
Gross claims incurred

KPW

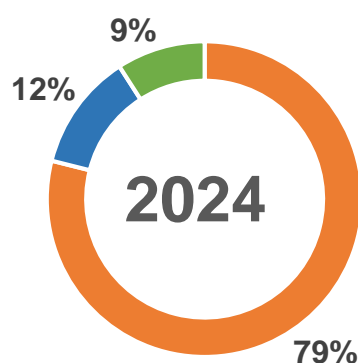
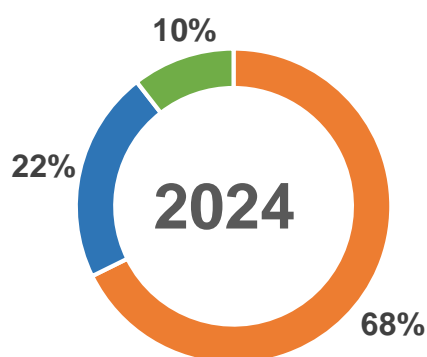
Line of Business	2024		2023	
	Amount	Share (%)	Amount	Share (%)
Cargo	789,205,678	78.92	485,372,063	75.73
Marine Hull	119,962,884	12.00	119,333,488	18.62
Marine Liability	90,835,154	9.08	36,195,935	5.65
Total	1,000,003,716	100.00	640,901,486	100.00



Gross premiums written



Gross claims incurred



Gross premiums written

Gross claims incurred

Gross premiums written was recorded at KPW 1,975,359,081 while gross claims incurred went up to KPW 1,000,003,716, which increased by 17.27% and 56.03% respectively compared to the same period of the previous year.

The net premiums earned rose to KPW 1,932,538,104, which is a 7.43% increase over the previous year, but the net claims incurred climbed by 45.71% year on year to KPW 1,082,164,156.

Cargo insurance

Cargo insurance has generated a steady income, maintaining its lion's share of the Company's portfolio.

The annual cargo premium rocketed up by 20.73% to KPW 1,337,305,746 year on year. This is attributable to the innovative attitudes of cargo underwriters and to the improved customer service based on a thorough analysis of the recent developments in the freight industry.

Road transport contributed to the growth of our portfolios, accounting for 57.57% of total cargo premium, but marine cargoes and ex-import trades lagged behind, representing 19.88% and 22.55% respectively.

The cargo account still constituted 67.70% of the Company's gross premiums written during the year, a large proportion of our premium income.

The gross claims incurred increased by 62.60% to KPW 789,205,678 over the previous year.

The deterioration of compensation lie at the root of natural calamities caused by heavy rains that swept the northwestern part of our country in 2024, resulting in considerable losses and damage to the goods in transit by road as well as those stored in warehouses at railway stations.

The Company will intensify the advertising of insurance in various forms so that the insureds can actively take out insurance, regarding risk management as a vital issue, and simultaneously, we will always treat the betterment of customer service with the utmost seriousness as it is one of our first and foremost task.

We will not only encourage the underwriters and agents to seize the status of different stations and fulfill their responsibilities

and duties, but also continue to pursue sustainable growth of cargo insurance by requesting the competent authorities on a regular basis to minimize the accumulation risk of cargo in the storage depots and improve risk management.

Marine hull insurance

The Company's hull insurance practitioners are excellent domestic experts and their expertise in marine risk management has positive impact on the performance of the insureds by bringing about good business results and at the same time significantly reducing marine risk.

The 2024 marine hull premium increased by 2.71% to KPW 304,390,982, compared to the same period of the previous year, and the fishing vessel premium also expanded at an increase rate of 29.41% year on year to KPW 125,692,253.

This is a result of the good reputation of the fishing units, which reflect the management characteristics of fishing units specializing in fishing, as they reflect the actual requirements of the insured's ability to pay for the fishing vessels, the separate fishing insurance for the large number of individuals in particular.

The premium income generated by marine hull account and fishing vessel account totaled KPW 430,083,235, accounting for 21.77% of the Company's gross premiums written during the year under review.

The gross claims incurred numbered at KPW 80,531,194 for marine hull insurance and at KPW 39,431,690 for fishing vessel insurance, which added up to KPW 119,962,884 in total.

This is because the state laws and regulations concerning maritime activities have become more stringent, the emergency response plan for natural disasters has been incorporated, and as a result of its implementation in practice, we have

experienced no catastrophic losses at sea.

The Company will conduct risk assessment and underwriting more strictly, and ensure that ship operators strictly observe safety navigation regulations and pay priority to damage prevention, such as raising the level of technical skills and disaster response of sailors, so as to continue to develop marine hull insurance and fishing vessel insurance.

Marine liability insurance

The Company, along with the protection & indemnity and port liability insurances, has promoted the expansion and development of the motor carrier's liability insurance which was already introduced into practice to ensure safe management of the insureds.

In 2024, the premium income of protection & indemnity and port liability increased steadily, and the motor carrier's liability was successfully introduced into practice to demonstrate its vitality.

The three insurances recorded a premium income in 2024 as follows;

protection & indemnity produced an income of KPW 110,480,000; the port liability achieved KPW 63,094,200; and the motor carrier's liability reached KPW 34,395,900, all of which represent an increase of 16.05%, 1.36% and 32.94% respectively over the previous year.

This is due to the fact that the limits of responsibility between the parties to the contract are clearly and more detailed as the state laws and regulations are further detailed and subdivided, and that the growing trend is towards more demand for insurance against the liability risks of various types arising out of the contracts.

The marine liability insurance premium totaled KPW

207,970,100, accounting for 10.53% of the Company's gross premiums written.

We have sustained the financial losses by the compensation payment of KPW 90,835,154 during the year, including the protection & indemnity claims of KPW 36,226,086, port liability losses of KPW 29,765,583, and motor carrier's liability indemnities of KPW 24,843,485. This soared to a rate of 150.95% over the same period of the previous year.

The dramatic plunge in the loss ratio of these accounts is attributable to the higher frequencies and severity of accidental damages to cargo in the course of cargo handling in the port, when compared to the same period of the previous year, as well as to the expansion of portfolios of motor carrier's liability insurance.

The Company will require timely measures to take into account the factors that might cause accidental damage on the basis of scientific risk assessment at ports and will pay due attention to risk management of the insureds, including imposing the legal requirements on the carriers for storing, maintaining and handling the cargoes, so as to ensure the stable development of marine liability insurances.

Claim settlement

The Company has promptly compensated for the claims incurred and has actively helped the insureds to recover from loss or damage as soon as possible and to regain normal management.

The gross claims incurred totaled KPW 1,000,003,716 in 2024 which indicates a 56.03% increase over the previous year.

The larger quantity of indemnity payouts was caused by the higher concentration of risk arisen out of the cumulative load at the cargo depots such as railway stations accordingly as the

whole volume of freight increased, and the risk management against the rising volume of traffic did not reach the level of concern, therefore resulting in a greater number of claims in cargo insurance, port liability insurance and motor carrier's liability insurance.

The cargo insurance claims amounted to KPW 789,205,678, accounting for 78.92% of the gross claims incurred, and the marine hull insurance and marine liability insurance suffered claims of KPW 119,962,884 and KPW 90,835,154 respectively, which constituted 12.00% and 9.08% of the gross claims incurred.

Reinsurance

In 2024, the Company took hold of the reinsurance cession as an important process in the work to enlarge the underwriting capacity and ensure the stability of business and placed reinsurance treaties to the insurance and reinsurance companies at home and abroad.

The premiums ceded to reinsurers was KPW 8,499,600, and reinsurance claims were not reported.

The portfolio of reinsurance was enlarged with the help of broking service from domestic and foreign brokers in 2024.

The Company analyzed the risks offered on a more scientific basis and made decisions upon a professional judgment, which helped us generate a stable income.

The Company will continue to have closer business ties with brokers to increase the stability of business through the outward reinsurance, and to increase the underwriting capacity, thus expanding the volume of inward reinsurance to enhance its position in the international insurance market.

CORPORATE GOVERNANCE

The Company has built up sound and highly transparent corporate governance, and effectively exercises control over each of its departments and branches as the insurance company. The Company has set out an "Internal Control Policy" with the aim of building a system of appropriate internal control based on the Articles of Association of Samhae and enforcement regulation.

Under this policy, the Company as the insurance company has set out the basic concepts of frameworks for supervising business performance in head offices and for promoting compliance, risk management, internal auditing and information management.

The Company exercises appropriate control over the operations of its branches based on the authority it has under its regional rights.

It also sets out basic policies for promotion of governance, risk management and internal auditing within the Company and monitors progress.



Every year, an evaluation of the business performance of our branches is carried out and the result of such evaluation is reflected in remuneration for the branches.

The Company will continue building up and operating its internal control system appropriately in accordance with this policy.



COMPLIANCE

The Company has defined compliance as "complying with applicable laws, rules, regulations, internal rules, and conducting fair and equitable business activities within the target market" and has been proceeding with the promotion of compliance.

The Company has formulated the "Company Code of Conduct" which all the officials and employees of the Company should observe from the standpoint that the development of business in strict accordance with laws and rules is the fundamental basis of management.

The Company has constructed structures for the promotion of compliance appropriate to the types of business they conduct in accordance with the basic policies and monitored the promotion of compliance.

Compliance department of the Company specialized in supervising the progress of compliance in the business performance of the Company and its branches, and it also engaged in planning the promotion of compliance and monitoring its progress.

In addition, persons responsible for the promotion of compliance, as well those who handle it, have been appointed in all departments and branches; thus, the systematic approach to the promotion of compliance has become possible.

The system and mechanism for promoting compliance and important rules to be adhered to are dealt with in manuals of the Company which are available to their directors and employees.

Moreover, in addition to preparing manuals appropriate to the content of business and making rules clearer, efforts are being made at the thorough application of rules and the spread and improvement of the awareness of compliance by training for officials and employees of the Company.

The Company held various seminars in accordance with positions and workplaces for permeating the knowledge of compliance required at the respective levels throughout the

offices.

In addition, it also ran compliance tests and e-Review that uses its intranet to enable its staff to check whether they have necessary compliance-related knowledge.

The Company has clarified its initiatives concerning the personal information of its customers, brokers, reinsurers and so on by defining and publishing the "Privacy Policy".

The Company has appointed a person responsible for the total management of information security (a person responsible for personal data) from among its officials and established under the person a system in charge exclusively of information management.

In conjunction with this, the managers of departments and branches have been designated as persons responsible for information management (persons responsible for personal information) and have been made responsible for overseeing all aspects of information management within their respective areas.


Furthermore, meetings have been established to discuss and report on the leakage of information and other important matters concerning the management of information security in general.

We have been making efforts to make the importance of the appropriate management of customer information fully understood by distributing an "Information Security Management Guidebook" to all employees and an "Agent Information Security Management Manual" to all agents.

Also, we perform a periodic self-inspection of the progress of information security management.



HUMAN RESOURCE DEVELOPMENT



At the Company, our human resources are the very basis of customer satisfaction and competitiveness, and we treat human resource development as a matter of the greatest importance. In order to develop human resources that have a high degree of expertise in dealing with customer needs, and that are trusted by customers for their unerring integrity, we provide a number of systems for developing abilities.

We recognize that creating an environment where motivated and able employees of a diverse range of values are able to realize their full potential, irrespective of term of service, is essential to improving customer response. The Company is operating a wide range of training systems to develop the skills of its employees, such as Rank-Specific Training, and Optional Training, which are enthusiastically taken up by many of our staff. Moreover, we also have systems such as the External Qualification Support System to support employees in their own voluntary studies. Also, we proactively send young employees to business schools, law schools and to universities with the aim of cultivating a staff that have a broad perspective, are internationally minded and that possess a high degree of knowledge.

Furthermore, we also provide information through the company intranet.

The Company has run an internship program for students from the universities. It accepts about two or three students' interns each year under this program. This initiative was started for the purposes of fostering student's interest in the insurance industry and expanding the range of human resources available in the state for the industry. By this program we will continue contributing indirectly to the activities to develop the national insurance industry.

By proactively developing our human resources through these systems and initiatives, we will connect this to improved corporate value across the Company as a whole.

A hand in a blue sleeve points towards a bar chart. A thick red arrow starts from the left, dips slightly, and then points sharply upwards, passing over the bars. The background is a solid blue color.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at 31st December 2024

KPW

	2024	2023
ASSETS		
Cash and cash equivalents	4,755,108,294	5,209,126,100
Trade receivables	208,320,614	27,623,289
Reinsurance assets	849,960	945,673
Deferred acquisition costs	11,055,334	2,710,970
Prepayments	22,634,621	34,729,251
Other receivables	14,900,000	12,500,000
Property and equipment	317,151,500	304,576,000
Intangible assets	14,549,097	18,823,058
Statutory deposits	750,000,000	-
TOTAL ASSETS	6,094,569,420	5,611,034,341
LIABILITIES AND EQUITY		
LIABILITIES		
Insurance contract liabilities	463,742,175	400,304,471
Provision for unearned premiums	295,290,175	261,914,471
Provision for outstanding claims	163,860,000	132,160,000
Other underwriting provision	4,592,000	6,230,000
Trade payables	-	-
Other payables	2,120,230	3,528,819
Other liabilities	198,342,749	146,412,616
Long-term debt	-	-
TOTAL LIABILITIES	664,205,154	550,245,906
EQUITY		
Paid-up capital	3,000,000,000	3,000,000,000
Contingency reserve	1,090,698,750	1,050,897,927
Retained earnings	1,339,665,516	1,009,890,508
TOTAL EQUITY	5,430,364,266	5,060,788,435
TOTAL LIABILITIES AND EQUITY	6,094,569,420	5,611,034,341

STATEMENT OF PROFIT OR LOSS

For the year ended 31st December 2024

	KPW	
	2024	2023
Gross premiums written	1,975,359,081	1,684,479,898
Premiums ceded	(9,445,273)	(9,719,914)
Change in provision for unearned premiums	(33,375,704)	123,585,978
Change in reinsurers' share of provision for unearned premiums	-	575,978
Net premiums earned	1,932,538,104	1,798,921,940
Gross claims incurred	(1,000,003,716)	(640,901,486)
Reimbursement of claims for risks ceded to reinsurers	-	-
Change in provision for outstanding claims	(31,700,000)	(61,660,000)
Change in other underwriting provision	1,638,000	(5,102,000)
Change in reinsurers' share of loss provision	-	-
Claims handling expenses	(52,098,440)	(35,009,690)
Net claims incurred	(1,082,164,156)	(742,673,176)
Acquisition costs net of related commission income from reinsurance ceded	(54,357,492)	(38,290,224)
Net underwriting result	796,016,456	1,017,958,540
Other income	35,750,000	30,000,000
General and administrative expenses	(170,623,958)	(160,111,704)
Profit/loss before payment to state	661,142,498	887,846,836
Payment to state	(198,342,749)	(266,354,051)
PROFIT/LOSS FOR THE PERIOD/YEAR	462,799,749	621,492,785

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2024

				KPW
	Paid-up capital	Contingency reserve	Retained earnings	Total equity
Balance as 1st January 2023	3,000,000,000	1,000,000,000	439,295,650	4,439,295,650
Profit/loss for the period/year	-	-	621,492,785	621,492,785
Transfer to contingency reserve	-	50,897,927	(50,897,927)	-
Dividends relating to prior periods paid during the year	-	-	-	-
Balance as of 31st December 2023	3,000,000,000	1,050,897,927	1,009,890,508	5,060,788,435
Balance as 1st January 2024	3,000,000,000	1,050,897,927	1,009,890,508	5,060,788,435
Profit/loss for the period/year	-	-	462,799,749	462,799,749
Transfer to contingency reserve	-	39,800,823	(39,800,823)	-
Dividends relating to prior periods paid during the year	-	-	(93,223,918)	(93,223,918)
Balance as of 31st December 2024	3,000,000,000	1,090,698,750	1,339,665,516	5,430,364,266

STATEMENT OF CASH FLOWS

For the year ended 31st December 2024

	KPW	
	2024	2023
Cash flows from operating activities		
Gross premiums received	1,794,661,756	1,656,856,609
Ceded premiums paid	(8,499,600)	(9,719,914)
Gross claims paid	(1,000,003,716)	(640,901,486)
Reimbursement received from reinsurers	-	-
Acquisition costs paid	(64,401,776)	(41,910,279)
Claims handling expenses paid	(52,098,440)	(35,009,690)
Commission received	849,960	909,085
Other income received	33,350,000	17,500,000
General and administrative expenses paid	(139,589,956)	(176,758,994)
Payments to state relating to prior periods paid	(146,412,616)	(3,043,815)
Transfer to statutory deposits	(750,000,000)	-
Net cash from operating activities	(332,144,388)	767,921,516
Cash flows from investing activities		
Purchase of property and equipment	(37,636,500)	(1,760,000)
Proceeds from sale of property and equipment	8,987,000	-
Net cash from investing activities	(28,649,500)	(1,760,000)
Cash flows from financing activities		
Dividends relating to prior periods paid	(93,223,918)	-
Net borrowings	-	-
Net cash from financing activities	(93,223,918)	-
Net change in cash and cash equivalents	(454,017,806)	766,161,516
Cash and cash equivalents at the beginning of the period/year	5,209,126,100	4,442,964,584
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR	4,755,108,294	5,209,126,100

A hand in a white shirt cuff is using a black rubber stamp on a document. The background is a blurred office setting with a desk, a telephone, and a lamp. The text "INDEPENDENT AUDITOR'S REPORT" is overlaid in large, bold, white capital letters.

INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of Samhae Insurance Company comprised of the statement of financial position as at 31st December 2024 and the statements of profit or loss, changes in equity and cash flows for the year ended 31st December 2024.

Samhae Insurance Company's responsibility for the financial statements

Samhae Insurance Company is responsible for the preparation and fair presentation of the financial statements in accordance with Financial Law and Accounting Law of DPRK and in the manner required by International Financial Reporting Standards (IFRSs).

Auditor's responsibility

Our responsibility is to check these financial statements and notify Samhae Insurance Company of our official results.

We have audited the financial statements in accordance with Financial Law, Accounting Law and Auditing Law of DPRK and International Standards on Auditing (ISAs).

In order to verify the accuracy of the financial statements, we selected the crucial documentation according to our criteria and checked the figures shown therein together with assets management status.

Not only the accuracy of the financial statements but also the competency of the accounting principles was closely examined.

We believe that we have done our job and presented our opinion as professional auditors on a reasonable basis.

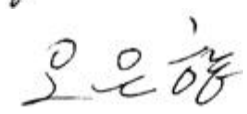
Audit opinion

We opine that the audited financial statements give a true and fair view of the financial condition of Samhae Insurance Company as at 31st December 2024, and of its financial performance and cash flows for the year then ended in line with International Financial Reporting Standards (IFRSs) and have been properly prepared in compliance with Financial Law and Accounting Law of DPRK.

Han Myong II, Director, Pyongyang Office of Auditors of DPR Korea



O Un Hyang, Manager, Pyongyang Office of Auditors of DPR Korea



21st April 2025
Pyongyang Office of Auditors of DPR Korea



WHERE WE ARE

Registered Office and Headquarters

Haebangsan-Dong
Central District
Pyongyang
DPRK

Regional Branches

Phyongsong City, South Phyongan Province
Sinuiju City, North Phyongan Province
Haeju City, South Hwanghae Province
Sariwon City, North Hwanghae Province
Kanggye City, Jagang Province
Wonsan City, Kangwon Province
Hamhung City, South Hamgyong Province
Chongjin City, North Hamgyong Province
Hyesan City, Ryanggang Province
Nampho City

Tel: 850-2-18111 Ext. 3818539

Email: samhae@silibank.net.kp

Website: www.naenara.com.kp/sites/samhae



SAMHAE INSURANCE COMPANY